(c) if so, the number of meetings called by Government to implement the "Uniform Sales-tax" scheme in all States immediately; and

(d) the success achieved as a result thereof and whether these have been helpful in avoiding confrontation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (d) Sir, in the conference of Chief Ministers held on 16.11.1999, all the States and Union Territories took a consensus decision to implement uniform floor rates of sales-tax as recommnded by a committee of State Finance Ministers. The States and Union Territories have, by and large, implemented these floor rates of sales-tax. An Empowered/ Standing Committee of State Finance Ministers monitors the implementation of this decision for which it has so far met fourteen times. Adoption of uniform floor rates of sales-tax has helped in avoiding 'tax war' amongst States/Union Territories and has resulted in increased revenue.

Nexus between customs officials and smugglers at IGI Airport

3123. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have directed Customs Officials at Indira Gandhi International Airport to search all passengers being escorted by policemen;

(b) if so, whether Government are aware that several security/ police officials are in nexus with the passengers and smuggling dutiable goods worth crores of rupees;

(c) if so, the details thereof; and

(d) the steps taken to ensure that customs/security officials' nexus with passengers is not succeeded?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) No, Sir.

(b) No, Sir.

(c) Does not arise.

(d) A careful watch is being kept by supervisory officers on the activities of personnel of various agencies operating at Airport including Customs staff deployed for passenger clearance. Surprise visits by senior officers from the Customs House are being paid, and periodic rotations of officials of Customs in sensitive assignments being effected to prevent any nexus as feared. Instructions have also been issued to initiate stringent penal action if any official is found helping a passenger in smuggling of any dutiable goods.

Tax evasion by Maruti Udyog Ltd.

3124. SHRI K.M. SAIFULLAH: Will the Minister of FINANCE be pleased to state:

(a) whether the Excise Department has detected tax evasion by the Maruti Udyog Ltd.;

(b) if so, the details thereof; and

(c) the action taken to settle the matter amicably at an early date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) Yes Sir. Five cases of alleged evasion of Central Excise duty amounting to Rs. 206.71 crores by M/s Maruti Udyog Ltd. have been detected during current financial year (upto June, 2001);

(c) Adjudication proceedings have been initiated by issuing show cause notices to M/s Maruti Udyog Limited for the alleged evasion.

Imposition of service tax on Karnataka Government Insurance Department

3125. SHRI K.C. KONDAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the Central Excise has initiated proceedings under the provisions of the Finance Act, 1994 and directed Karnataka Government Insurance Department to register itself and pay service tax at 5 percent of the total amount received by it as premium;

(b) if so, whether Karnataka Government has requested to waive